

[Pandit Thakur Das Bhargava]

every person to gamble and allow our national character to deteriorate, I do not know what is the use of bringing this Bill. Unless people realise that they should not mix these things and adulterate, the trouble will not be solved.

It has just been said by some friend of mine that here the dietary value of food is very much less than in other countries. In other countries, 2,000 calories is the usual value of food, whereas in India some people are getting 1,000 or 1,200 calories. When even things like *chhachh* and milk are adulterated, we do not know what we are coming to. I may submit for the consideration of the Government that in regard to certain matters, they ought to take more stringent action and see that the standards of food are not allowed to deteriorate. My friend was speaking of ghee, milk etc. These are ordinary things which are adulterated, and my friends are perfectly right in pointing this out. What do we care if some patent medicine like streptomycin is adulterated? Not that it is not harmful, but at the same time it is used by a microscopic number of people. So far as milk and ghee are concerned, they are very important. In 1935 ghee was produced in the country to the tune of 240 lakh maunds; in 1940, it came down to 140 lakh maunds, and in 1945, it came down further to 111 lakh maunds.

Mr. Deputy-Speaker: The deficit is made up by adulteration.

Pandit Thakur Das Bhargava: Quite right, Sir. What do those who are charged with our destiny say about this? So far as the poor men in Madras, in Bengal and in Bihar are concerned, if they go on using *vanaspati*, they are bound to deteriorate in health. Government is losing a revenue of Rs. 450 lakhs, and they would not touch *vanaspati* with a pair of tongs. Government appointed a committee, and the committee submitted a unanimous report that carrotine concentrate should be allowed to be mixed with *vanaspati*, and Government brushed aside that report without saying a word about it. Every municipality, every cantonment and every local authority should have an obligation placed upon it that it shall not allow *vanaspati* to be sold unless the Baudoin test is applied.

Mr. Deputy-Speaker: Why not the hon. Member serve on the Select Committee? There is the list here. With his number of suggestions and experience, he will be useful on the Select

Committee, and Government may be willing to include his name.

Pandit Thakur Das Bhargava: No, Sir, I am not placed in this Committee.

Shri Velayudhan: It is rather unfortunate.

Pandit Thakur Das Bhargava: It is fortunate for me, and fortunate for those who have prepared this list. Mr. Guha's name is nowhere put down. I do not mind whether I am in the Committee or not. I am here before you and I have got the right to say what I have to say. I do not care to sit on any committee.

I am glad that the Government has come forward with this Bill, but at the same time it should be enforced in such a manner that innocent people are not clapped in. The difficulty is that when an evil is very great, people do not distinguish between the right man and the wrong man, and innocent people are troubled for nothing. I would therefore like that all these safeguards and provisions which are usually found in the penal laws should be introduced in this Bill. It should be seen that the sample is taken rightly and the identity of the person who signs the report is established, and we should be able to see that the actual guilty persons are there. If ordinary things are adulterated, perhaps the harm is not very great, but there are certain things which are poisonous. If these adulterated things are taken, the consequences, I should say, will be very great. In regard to that punishment does not seem to be commensurate with the offence. I therefore think that if a person's life is endangered or other serious consequences follow as a result of taking adulterated foodstuffs, the punishment meted out to the offender should be commensurate with the enormity of the offence.

INDUSTRIAL FINANCE CORPORATION (AMENDMENT) BILL

Mr. Deputy-Speaker: I understand from the hon. Minister that with reference to the Industrial Finance Corporation, about 200 copies of the report are now made available. Fifty copies will be placed in the Library, and 150 copies will be available in the Notice Office. Any hon. Member who wants to look into it and have a copy will be furnished with a copy.

Shri S. S. More (Sholapur): Report No. 4?

Mr. Deputy-Speaker: Yes.

Pandit Thakur Das Bhargava: (Gurgaon): We are very thankful to you, Sir, for the supply.

Mr. Deputy-Speaker: In addition the hon. Minister has prepared a note giving details of the loans that have been given to various persons during the last year.

The Deputy Minister of Finance (Shri M. C. Shah): The various categories of industries.

Shrimati Renu Chakravartty (Basirhat): That is not what we wanted.

Mr. Deputy-Speaker: True, but that is what he is giving at this stage. Let us see what more is available.

Pandit Thakur Das Bhargava: May I submit one point? Yesterday speaker after speaker, especially Mr. Guha, brought out this point, that these loans were being given to such persons who are relatives and so on, which were not justifiable. This is scandalous to say the least. When Member after Member says this, we want either the Government should make an enquiry or they should give a list of those persons to whom these loans were given, so that the House may be able to see whether these influences have been used for ulterior purposes or not. I would request you to ask the Ministry to give us a list of the persons to whom loans have been advanced.

Shri M. C. Shah: The list of the person, that is the loanees, cannot be given, for, if you will look at section 31 of the Industrial Finance Corporation Act, you will find that the Bankers Books Evidence Act has been applied, and as a convention on the part of the banking institutions, no mention of the borrower can be made to anybody outside. We have already given in the statement that will be circulated, the names of the industries, and for instance in the case of the textile industry, we have mentioned the number of applications received, the number sanctioned, how the distribution of the sum was made etc. I have already given over 500 copies to the Notice Office, and all the information may be had from that statement.

Mr. Deputy-Speaker: If the hon. Minister wants to look into these facts, does the Bankers Books Evidence Act stand in the way of his looking at them? Suppose, the Minister in charge of this wants to be satisfied as to whether there has been any proper distribution, whether there has been any nepotism, or other irregularities

etc., is he prohibited from looking into these things, by the Bankers Books Evidence Act?

Shri M. C. Shah: Government can look into them.

Mr. Deputy-Speaker: Then, if the House wants to look into them, how can it be prevented from looking into them?

Shri M. C. Shah: It will be absolutely wrong in this way. Suppose for instance, a certain industrial concern has borrowed Rs. 50 lakhs as a matter of fact, under the Industrial Finance Corporation Act, whenever there is a financial accommodation, the properties of that concern have to be hypothecated, or securities should be taken from that concern. If this information goes out, then there will be a rush on that concern, and the safety of that concern will be immediately jeopardized. In banking institutions, the names of the borrowers are never given. And that has been the convention throughout. After all, what is the Industrial Finance Corporation? It is really speaking, in a sense a Bank, which gives loans to certain persons. Then it is a statutory corporation, for which a board of directors has been appointed, which has been given powers to grant loans. But Government has got the controlling power and the power to give directives. Government has also got the power to just inquire into the matter, but it cannot disclose these facts to the House, because it will be made public to the whole country. As a matter of fact, no borrower will come forward, if his name is disclosed to the public. That has been the convention all over the world and not only here. Even the entire management of the Corporation has been given to the board of directors. A certain procedure has been laid down, and there is also a provision in the Act to the effect that certain directives can be given by the Government to the board of directors, which manages this Corporation. Under this provision, we can just inquire or look into these matters, but these things cannot be given to the House.

Shri Feroze Gandhi (Pratapgarh Distt.—West cum Rae Bareilly Distt.—East): These loans are acknowledged in the balance-sheets of the concerns to which these loans are given. Now, a balance-sheet is a public document which is available to anybody—leave alone a Member of Parliament. I cannot therefore understand how the hon. Minister says that there is something very secret about this, and so it cannot be disclosed.

Pandit Thakur Das Bhargava: Moreover in the Act itself, it is laid down that when a loan is taken and the properties are subjected to the conditions laid down in the Act so that the Government can take them over, the first charge being that of the Government; so everybody knows that whenever loan is advanced the property is under mortgage and the management can take it over. So, what is the difficulty in disclosing the names?

Dr. S. P. Mookerjee (Calcutta South-East): May I draw the attention of the hon. Minister to the practice that is obtaining in the United Kingdom? I have got here one of the latest books dealing with this matter, from which I shall make some references later. In this book, the names of some of the well-known British companies have been mentioned, which have received loans from the Corporation.

With regard to the general objection even, let us take for instance the case of the SCOB. When it was given a loan of about Rs. 2½ crores, the matter came up before Parliament, and it was discussed also. So, even if you look at it from the merits of the case, how will these companies be adversely affected? On the other hand, I would suggest that their reputation will be even more firmly established, as has been hinted in this book itself. These will be companies that have received the patronage, recognition and support from a Corporation behind whom the Government is standing, so that it will be possible for these companies to raise money from the market, because people will know that these are concerns which are well-managed and have received the support and recognition of the Government itself. On the other hand, if the names are not disclosed, there will be unnecessary suspicions. It may be that many of the allegations that have been made on the floor of this House yesterday are not well-founded at all. In fact, if I may say so, I have seen the list of the names of many of the firms. If these were properly disclosed and explained on the floor of the House, I am sure any spokesman on behalf of the Government can present a case generally in support of what the Corporation has done. But the hesitation on the part of the Government in disclosing the names, unnecessarily creates an atmosphere of suspicion. I, therefore, appeal to the Government that, since there is no legal bar, there should be no hesitation in taking Parliament into confidence in this matter, for then alone it can know whether things have been properly done, and hon. Members may

offer constructive suggestions as to the proper administration of this organisation in the future. I hope Government will think over it and tell us tomorrow.

Shri Feroze Gandhi: On a point of information. Are these loans granted only to public limited companies?

Dr. S. P. Mookerjee: Yes.

Shri Feroze Gandhi: Then there can be no difficulty in disclosing the names of the concerns. If they are public limited companies, the objection that has been raised does not hold.

Shri K. K. Desai (Halar): When this question was being discussed here, during interpellations, questions were asked of the hon. Finance Minister whether he will be prepared to give the names. The Finance Minister then replied twice or thrice that it was not the convention of the Banks to give the names of the loanees. But as Dr. Mookerjee has just now stated, these loans are after all being given to public limited concerns, which do mention the fact in their balance-sheets which are generally available to the public. Personally, therefore, I do not see any objection in giving the names. If these are disclosed, then the unnecessary suspicion that has been roused about these loanees may be immediately removed, and there will be absolutely no atmosphere of suspicion. If Parliament can know the concerns to which the loans have been given, the extent of the loan, the terms under which they have been given, whether the terms have been exactly the same for all the loanees etc., I think much of the discussion will become limited.

The Minister of Revenue and Expenditure (Shri Tyagi): I promise that I will consider the proposal just made in the House. Government will be in a position to reply tomorrow. I shall consider the request made here.

Shrimati Sucheta Kripalani (New Delhi): There is some confusion and difference of opinion on this point. May I make a suggestion? Further information be given in the statement tomorrow, and there will be some difference of opinion. So this debate be postponed to Monday, instead of to tomorrow, so that there will be enough time for the hon. Members to go through the reports.

Mr. Deputy-Speaker: I would like the hon. Minister to say what Government thinks about this suggestion. If those copies are made available to us only today—I am talking of the report—then hon. Members may take

some time over it, and so I am inclined to say that this matter will stand over till day after tomorrow. But day after tomorrow is a non-official day, and there is enough other Government work for tomorrow. So this may be taken up on Monday.

An Hon. Member: Monday is a holiday.

Mr. Deputy-Speaker: In that case, this matter will come up for consideration again on Tuesday, instead of tomorrow.

FOOD ADULTERATION BILL—contd.

Mr. Deputy-Speaker: As regards the Food Adulteration Bill, I think we have had sufficient discussion, and I think the Bill may be referred to the Select Committee without any further speeches. I understand that all that hon. Members are suggesting on this Bill (*Interruptions*).

Order, order. Hon. Members ought not to show their backs to the Chair. Hon. Members will be attentive to what is proceeding in the House. There are some inevitable rules of decorum in the House; they will have to be followed. One is not to show their backs to the Chair except when they recede. That is by the way.

What I would suggest is this. The principle of the Bill seems to be accepted. Hon. Members are only anxious to make it a little more rigorous and more effective.

Shri N. Sreekantam Nair (Quilon cum Mavelikkara): Only the Congress Benches have spoken.

Mr. Deputy-Speaker: Other Members also.

Shrimati Sucheta Kripalani (New Delhi): No, no.

Mr. Deputy-Speaker: I will call lady Members first.

Kumari Annie Mascarene: I had sent in an amendment to this Bill to send the Bill to elicit public opinion. The hon. Minister while moving the motion said: "I am sure that there will not be a single Member in this House who will disagree with this Bill." She is quite correct. I do not think there will be a single person in this House who will say 'no' to the Food Adulteration Bill. But I had sent in the amendment because I thought that the scope of the Bill was very limited. This Bill has come to

this House, or rather we Indians have taken up this Bill rather too late in the day. If you look into the history of such Bills, you will find that the rest of the world has taken up this question even from the 13th century. The difference between their Bills and ours is this, that this Bill refers only to food in a particular fashion while the rest of the world took this Bill to include drugs as well. A Food and Drugs Bill is really a comprehensive Bill which will include all the adulterated articles consumed by man. My hon. friend, Shri Bhargava, while speaking said: 'Not only food but medicine is also in it'. That is why I had sent in an amendment to include drugs in this Bill—not to oppose this Bill.

Ever since this Government had taken to control of food, owing to the scarcity of food and drinks in this State, there was ample scope for the adulteration of food, that is, the admixture of false adulterated counterfeit articles of food highly injurious to public health against all the ethics of business and degenerating to national character. That we lag behind in this Bill is clear when we have a cursory glance at similar Bills all over the world. Records of Government taking notice of this adulteration of food can be seen as early as the history of Rome and Greece which prevented the adulteration of wine. When wine-making, slaughtering and bread-making became a regular business, it was natural for Government to regulate it, and in England you see the regulation beginning from 1316, from spice regulation, and ending in 1928 in the statutory offence of adulteration of food and drinks. Selling unwholesome food was a common law offence in England in the beginning; later on it became a statutory offence. In 1928. In France, adulteration of food was forbidden, as early as 1292 and it ended in 1802 when there was jurisdiction over food and drugs. In Germany, it started as early as the 13th century and in 1607 Frederic II of Russia appointed drug inspectors. In America it started as early as 1874 when the first general food law was passed at Illinois and it ended in 1938 with the Regulation of Food and Drugs Act. So we see, that between 1874 and 1921 Sweden, Austria, Switzerland, Denmark, Italy, Japan and Russia passed laws on food and drugs. It is easy to see that this legislation is not to be confined to food alone. The definition of food does not confine itself to the food that we take in for nourishment but the food that we take in to maintain our health and cure our diseases too. That is why, the two came